

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

AMERICAN INTERNATIONAL GROUP, INC., <i>et al.</i> ,)	
)	
)	Case No. 07 CV 2898
Plaintiffs,)	
v.)	Judge Robert W. Gettleman
)	
ACE INA HOLDINGS, INC., <i>et al.</i> ,)	Magistrate Judge Sidney I. Schenkier
)	
Defendants.)	
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LIBERTY MUTUAL INSURANCE COMPANY, <i>et al.</i> ,)	
)	
Counter-Claimants,)	
)	
AMERICAN INTERNATIONAL GROUP, INC., <i>et al.</i> ,)	
Counter-Defendants.)	
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SAFECO INSURANCE COMPANY OF AMERICA and OHIO CASUALTY INSURANCE COMPANY, individually, and on behalf of a class consisting of members of the National Workers Compensation Reinsurance Pool,)	Case No. 09 CV 2026
)	
Plaintiff,)	Judge Robert W. Gettleman
v.)	
)	Magistrate Judge Sidney I. Schenkier
AMERICAN INTERNATIONAL GROUP, INC., <i>et al.</i> ,)	
)	
Defendants.)	

**~~PROPOSED~~ REVISED SCHEDULING ORDER ON AIG'S STATISTICAL
SAMPLING OF THE HARTFORD, TRAVELERS, ACE, AND SENTRY**

The Court enters the following Scheduling Order to govern proceedings in the above-captioned cases with respect to statistical sampling of policy and underwriting files to be produced by The Hartford Financial Services Group (“Hartford”), Travelers Insurance Companies, Inc. (“Travelers”), ACE INA Holdings, Inc. (“ACE”), and Sentry Insurance a Mutual Company (“Sentry”), collectively (“Defendants”):

1. The March 15, 2011 date for the close of fact discovery in this case is extended to July 29, 2011 solely for the purpose of enabling AIG to complete its sampling of the Defendants’ files and any discovery arising from or relating to that sampling. The March 15, 2011 fact discovery cut-off remains in effect for all other purposes.

2. AIG provided each Defendant with a proposed pilot sampling methodology (a “Pilot Methodology”) for that Defendant on or before July 26, 2010.

3. Dr. Kadane approved AIG’s Pilot Methodologies and randomly selected the files to be included in each pilot sample using consecutively numbered lists of accounts and/or policy numbers compiled by AIG from the data files produced by each Defendant.

4. Defendants produced the selected files to AIG.

5. On October 27, 2010 AIG presented its conclusions regarding the Travelers pilot sample to Dr. Kadane and Travelers. Travelers served a written response to AIG’s conclusions regarding the Travelers pilot sample on November 5, 2010. Travelers will produce all additional data for non loss-sensitive policies, as described in its response to AIG’s conclusions memorandum, on or before November 29, 2010.

6. AIG shall present its conclusions concerning the Hartford, ACE and Sentry pilot samples to Dr. Kadane and each Defendant, respectively, on or before November 19, 2010 (the

“Conclusions Memos”). Hartford, ACE and Sentry shall each serve a written response to AIG’s Conclusions Memos within 14 days of receiving it.

7. AIG shall provide Hartford, ACE, Travelers, and Sentry with a proposed statistical sampling methodology (a “Full Methodology”) to guide the production of files from that Defendant on or before December 10, 2010.

8. Each Defendant shall provide AIG and Dr. Kadane with its objections and/or suggestions for modifications to a proposed Full Methodology within 7 days of receiving it.

9. Within 14 days of receiving a Defendant’s objections and/or suggestions on a proposed Full Methodology (or as soon thereafter as Dr. Kadane deems feasible and appropriate in light of his dialogue with the parties), Dr. Kadane will review the proposed Full Methodology, pose clarifying questions if needed, and provide the parties and the court with his recommendation as to the sampling methodology that should be employed. In making that recommendation, Dr. Kadane is not bound by the proposals of the parties. The interested parties shall file any comments or objections to Dr. Kadane’s recommended sampling methodology to the Court within 10 days of receiving it, or if such day falls during a weekend or on a Court holiday, the first business day thereafter.

10. The Court shall resolve any objections and approve the Full Methodologies as soon as practicable.

11. Within two days of the Court approving the Full Methodologies, Dr. Kadane will randomly select the files to be included in the statistical sample (the “Full Sample”) using consecutively numbered lists of contracts, accounts and/or policy numbers compiled by AIG from the data files produced by the Defendant being sampled. AIG shall provide the lists to Dr.

Kadane and the Defendant simultaneously, and the Defendant shall have an opportunity to inspect the lists.


12. As soon as practicable but, in no event later than 14 days after Dr. Kadane makes his selection from each list, the Defendant shall begin a rolling production of the selected files.

13. With respect to the Defendants' rolling production of the selected files from the Full Sample, each Defendant shall provide a production status report to AIG each Friday that substantively conforms to the report required of AIG by Paragraph 3 of the Court's August 12, 2010 Order.

14. The production of the selected files shall be completed within 95 days of the date Dr. Kadane makes his selections.

SO ORDERED:

Date: 11-15-10



Magistrate Judge Sidney I. Schenkier
United States District Court
Northern District of Illinois